

**CONTRACT #7**  
**RFS # N/A**  
**UT Tracking # 98985**

**University of Tennessee**  
**Health Science Center**

**VENDOR:**  
**Semmes Murphey Neurologic**  
**& Spine Institute**



THE UNIVERSITY of TENNESSEE

Vice President for Administration and Finance

711 Andy Holt Tower  
Knoxville, TN 37996-0174  
Phone: (865) 974-2243  
Fax: (865) 974-1324

April 4, 2007

Mr. Jim White  
Executive Director  
Fiscal Review Committee  
320 Sixth Avenue, North – 8<sup>th</sup> Floor  
Nashville, TN 37243-0057

Dear Mr. White:

The University of Tennessee is submitting for the committee's review a non-competitively bid contract with Semmes-Murphey Neurologic and Spine Institute for faculty supervision of neurology and neurosurgery residents caring for patients at Methodist/Lebonheur and the Regional Medical Center in Memphis.

The university has a relationship with Semmes-Murphey Neurologic and Spine Institute that is over forty years old. Semmes-Murphey provides the most highly experienced and academically trained neurologists and neurosurgeons in the region. They are the only physician group in the region with the credentials required to provide the needed services.

Signed in January 1987, the affiliation agreement between the university and Semmes-Murphey establishes the relationship by which the university obtains faculty supervision of neurology and neurosurgery residents caring for patients at the Regional Medical Center in Memphis.

The effective date of the proposed contract is July 1, 2007 through June 30, 2008 with an estimated cost of \$806,000. This contract continues services at the MED previously approved by the Fiscal Review Committee on December 18, 2003, June 1, 2004, October 26, 2005, and May 16, 2006, and as amended on October 10, 2006 to include the Methodist hospital.

If you have questions or need additional information, please let me know.

Respectfully,

Sylvia Shannon Davis  
Vice President for Administration and Finance

c: Dr. John D. Petersen  
Mr. Anthony Ferrara  
Mr. Anthony Haynes  
Dr. William Owen

**THE UNIVERSITY OF TENNESSEE  
REQUEST: NON-COMPETITIVE CONTRACT**

**APPROVED:**

\_\_\_\_\_  
UT System Office Approval

\_\_\_\_\_  
Date

Each of the request items below indicates specific information that must be individually detailed or addressed as required. A request cannot be considered if information provided is incomplete, non-responsive, or does not clearly address each of the requirements individually as required.

1) UT Tracking Number	98985		
2) Campus/Institute Name	The University of Tennessee Health Science Center		
3) Short Description:	Neurology and Neurosurgery supervision at Methodist/Lebonheur and the Regional Medical Center hospitals		
4) Proposed Vendor:	Name:	Semmes Murphey Neurologic and Spine Institute	
	Vendor Number:	1010083	
	Vendor ID:	62-0642575	
5) Contract Start Date:		7/1/07	
6) Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :		6/30/08	
7) Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :		\$806,000	
8) Approval Criteria : (select one)	<input type="checkbox"/>	use of Non-Competitive Negotiation is in the best interest of the university	
	<input checked="" type="checkbox"/>	only one uniquely qualified service provider able to provide the service	
9) Detailed Description of Service to be Acquired :			
Faculty supervision of neurology and neurosurgery residents in the UT Neurology and Neurosurgery Residency training programs.			
10) Explanation of the Need for or Requirement Placed on the Procuring Agency to Acquire the Service :			
The Accreditation Council for Graduate Medical Education (ACGME), the accrediting body for all US medical residency programs, requires that residents be appropriately supervised. The University has an affiliation agreement whereby Semmes Murphey provides the needed supervisory services, which has been in place for over 20 years.			
11) Explanation of Whether the Procuring Agency Bought the Service in the Past, & If so, What Procurement Method It Used :			
UT has an affiliation agreement with Semmes Murphey to provide resident supervision services resulting in services being acquired on a non-competitive basis.			
12) Name & Address of the Proposed Vendor/Contractor(s):			

(not required if proposed contractor is a state education institution)	
Semmes Murphey, 6325 Humphrey's Blvd., Memphis, TN 38120	
<b>13) Evidence of the Proposed Vendor/Contractor's Experience and Length of Experience Providing the Service :</b>	
Semmes Murphey has been the UT College of Medicine's Department of Neurology and Neurosurgery for over 20 years. Semmes Murphey has provided the required resident supervision since that time.	
<b>14) Documentation of Office for Information Resources Endorsement :</b> (required <u>only</u> if the subject service involves information technology)	<b>N/A</b>
<b>15) Documentation of Department of Personnel Endorsement :</b> (required <u>only</u> if the subject service involves training for state employees)	<b>N/A</b>
<b>16) Documentation of State Architect Endorsement :</b> (required only if the subject service involves construction or real property related services)	<b>N/A</b>
<b>17) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :</b>	
The Semmes Murphey/UT affiliation agreement designates Semmes Murphey physicians as the faculty for neurology and neurosurgery for the College of Medicine and requires we use them for all academic purposes.	
<b>18) Justification of Why the University Should Use Non-Competitive Negotiation Rather Than a Competitive Process:</b> (Being the "only known" or "best" service provider to perform the service as desired will not be deemed adequate justification.)	
The Semmes Murphey/UT affiliation agreement designates Semmes Murphey physicians as the faculty for neurology and neurosurgery for the College of Medicine and requires we use them for all academic purposes.	

## 021406

RFS #				Contract #			
98985				N/A			
State Agency				State Agency Division			
University of Tennessee				Health Science Center - College of Medicine			
Contractor Name				Contractor ID # (FEIN or SSN)			
Semmes-Murphey Neurologic and Spine Institute				<input type="checkbox"/> C- or <input checked="" type="checkbox"/> V-			
Service Description							
Neurology and Neurosurgery supervision at Memphis teaching hospitals							
Contract BEGIN Date		Contract END Date		Subrecipient or Vendor?		CFDA #	
7/1/2007		6/30/2008		Vendor		N/A	
Mark Each TRUE Statement							
<input type="checkbox"/> N/A Contractor is on STARS				<input checked="" type="checkbox"/> Contractor's Form W-9 is on file in Accounts			
Allotment Code		Cost Center		Object Code		Funding Grant Code	
332.34		N/A		N/A		N/A	
FY		State		Federal		TOTAL Contract Amount	
2008						\$ 806,000.00	
TOTAL:		\$ -		\$ -		\$ 806,000.00	
— COMPLETE FOR AMENDMENTS ONLY —				State Agency Fiscal Contact & Telephone #			
FY		Base Contract & Prior Amendments		THIS Amendment ONLY		Sylvia Davis, 865-974-4048	
2008		\$ 806,000.00				State Agency Budget Officer Approval	
						Sylvia Shannon Davis, VP Administration and Finance	
						Funding Certification (certification required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)	
TOTAL:		\$ 806,000.00					
End Date		6/30/2008					
Contractor Ownership (complete only for base contracts with contract # prefix: FA or GR) N/A							
<input type="checkbox"/> African American		<input type="checkbox"/> Person w/ Disability		<input type="checkbox"/> Hispanic		<input type="checkbox"/> Small Business <input type="checkbox"/> NOT disadvantaged	
<input type="checkbox"/> Asian		<input type="checkbox"/> Female		<input type="checkbox"/> Native American		<input type="checkbox"/> OTHER minority/disadvantaged—	
Contractor Selection Method (complete for ALL base contracts— N/A to amendments or delegated authorities)							
<input type="checkbox"/> RFP		<input type="checkbox"/> Competitive Negotiation		<input type="checkbox"/> Alternative Competitive Method			
<input checked="" type="checkbox"/> Non-Competitive Negotiation		<input type="checkbox"/> Negotiation w/ Government (eg, ID, GG, GU)		<input type="checkbox"/> Other			
Procurement Process Summary (complete for Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)							
The university has a relationship with Semmes-Murphey Neurologic and Spine Institute that is over forty years old. Semmes-Murphey provides the most highly experienced and academically trained neurologists and neurosurgeons in the region. They are the only physician group in the region with the credentials required to provide the needed resident supervisory services. Signed in January 1987, the affiliation agreement between the university and Semmes-Murphey establishes the relationship by which the university obtains faculty supervision of neurology and neurosurgery residents caring for patients.							

98985

# THE UNIVERSITY OF TENNESSEE

## CONTRACT

This Contract, made and entered into on 7-1-07, documents the agreement between The University of Tennessee (hereinafter University) and Semmes Murphey (hereinafter Contractor).

This Contract consists of this cover page, the University's Standard Terms and Conditions (on reverse), and 0 additional pages. Terms contained on this cover page and the University's Standard Terms and Conditions shall prevail over those of any attachment unless otherwise stated under "Other terms" below.

### Contractor will provide the following:

Faculty Supervision of Neurology and Neurosurgery residents at Methodist/Lebonheur and MED.

The period of performance under this contract is from 7-1-07 through 6-30-08. However, the University may terminate this Contract by giving the Contractor at least thirty (30) days written notice before the effective termination date, in which event the Contractor shall be entitled to receive equitable compensation for satisfactory authorized work completed as of the termination date.

The University will compensate the Contractor \$ 67166.67 per month.

### Other payment terms:

University will pay Semmes Murphey after funds are received from appropriate hospital.

The University's maximum liability under this Contract is \$ 806,000.00.

### Other terms (N/A if none):

MED Neurology-\$107,000  
MED Neurosurgery-\$450,000  
Methodist Neurology-\$32,000  
Methodist Neurosurgery-\$217,000

In witness of their acceptance of the terms of this agreement, the parties have had this Contract executed by their duly authorized representatives.

### FOR CONTRACTOR:

Name

Title

Address

Telephone Number

SSN or Fed. Id. No.

### FOR UNIVERSITY:

Graduate Medical Education  
Department Name

R073202065  
Responsible Account  
(If applicable)

Administrative Signature  
(Optional)

Authorized Official  
**Anthony A. Ferrara**  
Vice Chancellor  
Finance & Operations

## STANDARD TERMS AND CONDITIONS

1. The University is not bound by this Contract until it is approved by the appropriate University official(s) indicated on the signature page of this Contract.
2. This Contract may be modified only by a written amendment which has been executed and approved by the appropriate parties as indicated on the signature page of this Contract.
3. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the University.
4. Unless otherwise indicated on the reverse, if this Contract provides for reimbursement for travel, meals or lodging, such reimbursement must be made in accordance with University travel policies.
5. The Contractor warrants that no part of the total Contract amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor, or consultant to Contractor in connection with any work contemplated or performed relative to this Contract, and that no employee or official of the State of Tennessee holds a controlling interest in the Contractor. If the Contractor is an individual, the Contractor certifies that he/she is not presently employed by the University or any other agency or institution of the State of Tennessee; that he/she has not retired from or terminated such employment within the past six months; and that he/she will not be so employed during the term of this Contract.
6. The Contractor shall maintain documentation for all charges against the University under this Contract. The books, records and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment, and shall be subject to audit, at any reasonable time and upon reasonable notice, by the University or the Comptroller of the Treasury, or their duly appointed representatives. These records shall be maintained in accordance with generally accepted accounting principles.
7. No person on the grounds of disability, age, race, color, religion, sex, national origin, veteran status or any other classification protected by Federal and/or Tennessee State constitutional and/or statutory law shall be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract. The Contractor shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to all employees and applicants, notice of non-discrimination.
8. The Contractor, being an independent contractor, agrees to carry adequate public liability and other appropriate forms of insurance, and to pay all taxes incident to this Contract. The University shall have no liability except as specifically provided in this Contract.
9. The Contractor shall comply with all applicable Federal and State laws and regulations in the performance of this Contract.
10. This Contract shall be governed by the laws of the State of Tennessee, which provide that the University has liability coverage solely under the terms and limits of the Tennessee Claims Commission Act.
11. The Contractor shall avoid at all times any conflict of interests between his/her duties and responsibilities as a Contractor and his/her interests outside the scope of any current or future Contracts. The following principles define the general parameters of a conflict of interests prohibited by the University:
  - A. A Contractor's outside interests shall not interfere with or compromise his/her judgment and objectivity with respect to his/her duties and responsibilities to the University.
  - B. A Contractor shall not make or influence University decisions or use University resources in a manner that results in:
    - Financial gain outside any current or future Contracts for either the Contractor or his/her relatives or
    - Unfair advantage to or favored treatment for a third party outside the University.
  - C. A Contractor's outside financial interests shall not affect the design, conduct, or reporting of research.

The Contractor certifies that he/she has no conflicts of interests and has disclosed in writing the following:

  - A. Any partners or employees of the Contractor who are also employees of the University.
  - B. Any relatives of the Contractor's partners or employees who work for the University.
  - C. Any outside interest that may interfere with or compromise his/her judgment and objectivity with respect to his/her responsibilities to the University.
12. If the Contractor fails to perform properly its obligations under this Contract or violates any term of this Contract, the University shall have the right to terminate this Contract immediately and withhold payments in excess of fair compensation for completed services. The Contractor shall not be relieved of liability to the University for damages sustained by breach of this Contract by the Contractor.
13. It is understood by the Contractor that the University will possess all rights to any creations, inventions, other intellectual property, and materials, including copyright or patents in the same, which arise out of, are prepared by, or are developed in the course of the Contractor's performance under this Contract. The Contractor and the University acknowledge and agree that the Contractor's work under this Contract shall belong to the University as "work-made-for-hire" (as such term is defined in U.S. Copyright Law).
14. In compliance with the requirements of Chapter 878, Public Acts of 2006 of the State of Tennessee, for any contract for goods or services purchased by the University, the Contractor hereby attests that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performances of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of the Contract.